

COLEMAN NATURAL FOODS

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Naturally Raised Livestock Marketing Claim
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Subject: Naturally Raised Standards and Claims

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Introduction:

As a fifth generation Colorado ranching family member I'm honored to be here today to comment on the value to ranchers, feeders and other livestock producers of establishing standards and claims for the term *naturally raised*. I'm also here on behalf of the over 900 producers that are currently involved in the Coleman Natural Foods producer program.

Background:

It was only 50 or 60 years ago that livestock production began to use growth hormones, sub-therapeutic dosages of antibiotics and animal derived feed rations to improve profitability and production efficiency; all to the disdain of a growing number of consumers and producers alike.

In the late 70's, at a time when the value of livestock at commodity market prices did not cover production costs, Coleman pioneered the idea of providing meats from livestock raised from birth without the use of added growth hormones or antibiotics after listening to a small group of consumers looking for, and willing to pay a premium for, beef that came from livestock having never received antibiotics or growth hormones.

In 1979-80, raising protocols, an audit trail for source verification, and an affidavit system were established by Coleman and presented to USDA for the purpose of defining natural as a **raising process** and obtaining USDA label approval. In 1981, this natural definition, and its raising and feeding protocols, was approved by the USDA.

However, on November 22, 1982, under Memorandum 055, the term *natural* was altered to include **processed** meat and poultry items, which redefined natural to today's definition: *minimally processed with no artificial ingredients*. This action created confusion among producers and consumers alike. Did natural define a **raising process** for livestock, or how meats and poultry are **processed**?

The Memo 55 definition opened the door for all fresh meat and poultry items to be labeled natural. In the midst of the confusion this created, only the astute consumer realized that the new definition had nothing to do with natural raising practices. No longer were farmers, ranchers, or feeders able to fully capitalize on the economic values of raising and marketing their livestock under the Natural label as it was originally defined in 1981.

Times have changed. Today, many state and national producer organizations are addressing the issues and opportunities of producing natural livestock in a manner that will meet consumer expectations. As one example, later this month, the National Cattlemen's Beef Association (NCBA), will have a Natural/Organic Issues Forum at its Annual Cattle Industry Convention that will address the growth of natural in the marketplace and what it means to the livestock industry.

Consumer demand for naturally raised products presents a value proposition to producers and can eliminate or minimize the "boom or bust" fluctuations of commodity markets.

Coleman believes that a Naturally Raised definition is needed that includes **raising protocols**, eliminating the use of antibiotics, added growth hormones and growth modulators, and feeding regimens and feed rations that do not allow animal by-products or animal fats. The Naturally Raised definition should also address source verification and animal husbandry practices that promote animal welfare.

A naturally raised definition will do three things: 1) provide producers a level playing field in natural producer programs; 2) bring clarity in labeling to consumers at the point of sale; and 3) eliminate the temptation for unscrupulous smoke-and-mirror marketing programs to misuse the "natural" term on fresh meat products.

In the last several years, the major packers in the U.S. have introduced natural programs with varying protocols, while companies such as Wal-Mart and other major retail chains introduced natural sections in their meat cases.

With the advent of renewable energy introducing new markets for key crops, pressure is being put on the livestock industry that can be offset by giving producers alternative marketing opportunities through a naturally raised label.

Agriculture Secretary Mike Johanns, in a recent address on the 2007 Farm Bill to the American Farm Bureau Federation's annual meeting stated, "It must be tailored to provide strong support that is relevant to current trends, and forward-looking for future growth."

The 1981 definition for natural referred solely to raising practices, and was both forward-looking and relevant. For producers and consumers alike, it's time to recapture natural's significance and clarity. A "naturally raised" label for livestock, and an "all-natural" label for processed meats and poultry derived from naturally raised livestock, will provide producers with greater opportunities and consumers with clear choices regarding how animals are raised and treated.